

“The Why,” “The Who” and “The What”



Know Your Why

- What is the shared purpose(s) for your family? What is the value of keeping the family together?
- What does the family see as its mission? What do you hope to accomplish?
- Is the next generation of adult children aligned with the purpose and mission?
- Are family values both maintained and reimagined by each generation to provide an anchor?
- How does the family wealth enable the family to live its values?
- What are the benefits of your family's financial wealth?
- What types of wealth are most important to you (Financial, Human, Intellectual, Social, Spiritual, etc.)?



For Whom Are You Seeking Continuity

- How do you define family (includes aunts, uncles, cousins, limits to blood relatives, etc.)?
- Who are the constituents of the wealth and how are they motivated?
 - Operating businesses
 - Family members/family systems
 - Giving and impact/Community
- How do you prioritize and rationalize multiple objectives/constituents?
- Have you found common ground and alignment across the constituents?
- How do you put the necessary steps in place to focus on the NextGen beyond leadership within the business? How can they help shape and be involved in the family capital and investment decisions?



What are your Growth Choices?

- How do you define growth (size, impact, job creation, distributions, profits)?
- What are the growth motivations (legacy, lifestyle, philanthropy, employment)?
- Do you want to grow together as a family (i.e., retain the capital and invest as a family)?
- What is the collective family's responsibility to grow shared assets vs. individual needs?
- What are your options for sources of growth (Core business, adjacencies, totally new)?
- What approach to growth is compelling to the family (organic growth, acquisitions, reducing debt)?
- How does growth drive continued family engagement and connection?

“The How”



Governance

- How is decision-making structured and executed?
- Which structures are best to address the families' needs and goals? Are there any associated legal or regulatory requirements?
- Are we missing components of family governance structure? (voting trust, PTC, family council, etc.)
- What structures/processes are in place to evaluate effectiveness of the growth strategy? To monitor performance? To monitor risk?
- How are division of responsibilities and decision rights defined?
- How can multi-generational dialogue on wealth continuity goals be developed and promoted? Is the nextgen engaged and prepared?



Human Capital

- What skills are needed to support our growth goals?
- Who currently demonstrates needed interests or skills? Are there gaps?
- Are people in the right roles for themselves and the enterprise?
- Are the individuals motivated to contribute—why or why not, in what areas? How/should their interests be championed?
- How can the family leverage a unique employee value proposition to attract non-family talent and balance out potential downsides of working for a family enterprise (e.g., less equity compensation, limited access to top roles filled by family)?



Operations

- Is the operating model anchored on the family's strategy, purpose and mission?
- Does your operating model have clearly defined requirements?
- How effective are the processes and controls? Are they tailored to your environment?
- How effective are your data management and reporting systems? Do you have the data you need to make timely, effective decisions?
- Are there opportunities to incorporate automation?
- Is there continuous upskilling/training of personnel?
- Are there regular reassessments and proper governance?